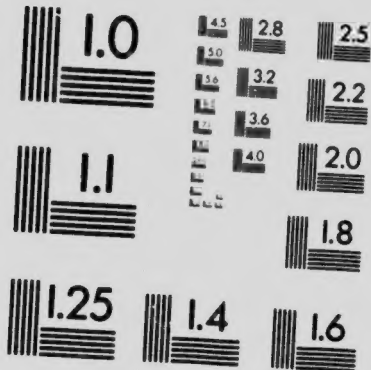


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**WINNIPEG'S AFFAIRS
ARE YOUR AFFAIR**

**KEEPING TRACK
OF THE
CITIZENS' BUSINESS**

33590

REPORT No. 1

OF

THE CITIZENS' LEAGUE OF WINNIPEG

FOR MUNICIPAL BETTERMENT

315533

WINNIPEG'S 1916-17 INCOME

\$5,277,182.02

WHERE IT COMES FROM

Balance from 1915-16

\$74,109.62

MISCELLANEOUS
REVENUES -

\$495,140.00

BUSINESS TAX

\$331,854.20

GENERAL TAX
(15.7 mills)

\$4,376,078.20

LETTER OF TR

FROM

THE CITIZENS' LEAGUE

To the Citizens, the City Government
and the Heads of Civic Depa

Winnipeg is sometimes referred
best managed of the larger Canadian
various Civic Surveys covering admin
North American municipalities indica
city has avoided or already overcome
comings noted by Research Bureaus an
elsewhere. But that there is room
not be denied.

With a view to affording a medi
generally may not only better acquai
problems, but may more actively co-o
ernment and with heads of civic depa
some months ago The Citizens' League
ities have been begun through variou
first of these to make an interim re
findings is the Committee on Civic F
of the following members: S. R. Tarr
F. E. Martin, H. S. Seaman, E. Loftu
and A. L. Crossin. Along with the
officers of the League acted as ex-o
H. A. Robson, K.C., Honorary Presiden
A. K. Godfrey, Vice-President, and G

After careful consideration of
mittee on Civic Finance and Audit, T
issues this report with its containe
dations. In doing so it desires to
the attitude of the Mayor and of the
promptly giving the committee access
City Treasurer and City Comptroller,
and officials of these departments f
information and discuss proposed cha

On behalf of The Citizens' League

Respectf

W. J. C.

S.

Commit

Winnipeg, October 1916.

6-5394

ON

WINNIPEG'S 1916-17 OUTGO

\$5,277,182.02

HOW IT IS TO BE SPENT

OF TRANSMITTAL

FROM

LEAGUE OF WINNIPEG

Government,
Civic Departments:

referred to in the East as being the
Canadian cities. And a perusal of
ing administration methods of other
s indicates that this mid-western
overcome not a few of the short-
creas and Investigating Commissions
s room for further improvement will

g a medium through which citizens
r acquaint themselves with municipal
ely co-operate with the city gov-
vic departments, there was formed
' League of Winnipeg. Its activ-
h various special committees. The
terim report upon its work and
Civic Finance and Audit, composed
R. Tarr (Chairman), Manlius Bull,
E. Loftus, D. B. Harkness, D. Wood
ith the foregoing the following
as ex-officio committee members:
President; W. J. Christie, President,
t, and Geo. N. Jackson, Treasurer.

tion of the findings of the Com-
Audit. The Citizens' League now
contained suggestions and recommen-
sires to express appreciation of
d of the Board of Control in
e access to the departments of the
troller; also to thank the heads
tments for their readiness to give
osed changes.

ns' League of Winnipeg,

Respectfully,

W. J. Christie

President.

A. R. Tarr






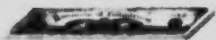
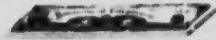
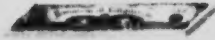
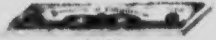




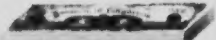

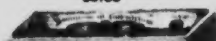

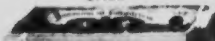
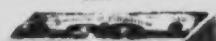
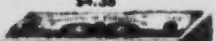
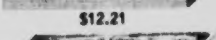
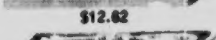
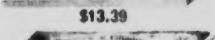
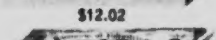
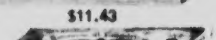
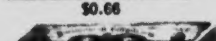

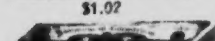
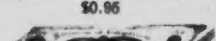

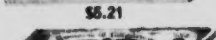
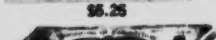
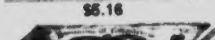
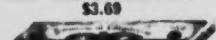
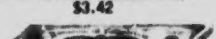


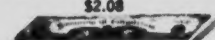


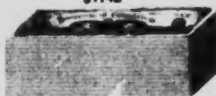




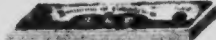







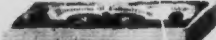

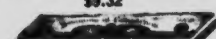

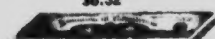
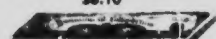
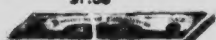
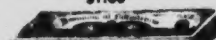
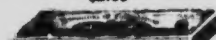
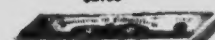
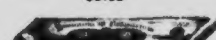

Chairman,

Committee on Civic Finance and Audit.

Finance and Board of Control	\$1,736,372.28
Works and Property	\$93,172.00
Street Commissioner	\$231,390.00
Fire, Water, Light and Power	\$634,006.79
Fire Service Waterworks	\$59,311.15
Health Department	\$196,662.20
Market, License and Relief	\$106,958.50
Libraries and Baths	\$120,641.31
School Board	\$1,118,000.00
Parks Board	\$156,749.50
Police Commissioners	\$423,603.23
Municipal Hospitals	\$207,322.61
Miscellaneous	\$192,992.45

HOW EACH \$100.00 OF WINNIPEG'S CIVIC OUTGO IS SPENT

Comparison of 1916-17 Estimates with Actual Expenditures of Four Preceding Years

YEAR	1912-1913	1913-1914	1914-1915	1915-1916	ESTIMATED 1916-1917
FINANCE AND BOARD OF CONTROL	 \$25.33	 \$25.40	 \$25.83	 \$29.41	 \$36.38 <small>B.C. FOR PAYMENT OF DEBTS</small>
WORKS AND PROPERTY	 \$2.52	 \$2.54	 \$1.99	 \$1.62	 \$1.77
STREET COMMIS- SIONER'S DEPT.	 \$8.55	 \$7.57	 \$7.20	 \$5.74	 \$4.38
FIRE, WATER, LIGHT AND POWER	 \$12.21	 \$12.62	 \$13.39	 \$12.02	 \$11.43
FIRE SERVICE	 \$0.66	 \$0.67	 \$1.02	 \$0.85	 \$1.12
WATERWORKS	 \$5.21	 \$5.25	 \$5.16	 \$3.69	 \$3.42
HEALTH	 \$1.34	 \$1.34	 \$2.08	 \$2.83	 \$2.03
MARKET, LICENSE AND RELIEF	 \$1.42	 \$1.21	 \$1.31	 \$1.90	 \$2.06
LIBRARIES AND PUBLIC BATHS	 \$21.14	 \$22.51	 \$22.03	 \$23.36	 \$21.18
SCHOOL BOARD	 \$3.53	 \$4.12	 \$3.28	 \$3.18	 \$2.97
PUBLIC PARKS BOARD	 \$9.32	 \$8.58	 \$8.32	 \$6.10	 \$7.58
POLICE COMMISSIONERS	 \$1.86	 \$2.08	 \$2.65	 \$3.05	 \$3.02
HOSPITAL COMMISSION	 \$6.91	 \$6.01	 \$5.74	 \$4.15	 \$3.65
MISCELLANEOUS					
TOTAL	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00

NOTE.—In the detailed estimates published by the City for 1916-17, debt charges of over \$130,000 relating to Fire, Water, Light and Power, Health, Libraries and Public Baths, Police and Hospitals, have been departmentalized. In preceding years they were included under the Board of Control heading. For purpose of comparison, in the above chart the 1916-17 Finance Estimates have been made to include these departmental items. Without them the Board of Control proportion of \$100 expenditure is \$32.90—the difference of \$2.48 going to increase the estimates of other committees.

REPORT No. 1 OF THE CITIZENS' LEAGUE OF WINNIPEG

Based on Work and Findings of Special Committee on Civic Finance and Audit

GENERAL INTRODUCTION

PRE-REQUISITE to clear thinking with regard to a city's business is a thoroughly adequate and properly related accounting system—the results of which should be so classified and set forth as to enable the ordinary citizen to judge intelligently with regard to the degree of efficiency and economy exercised in civic administration.

IT WILL THEREFORE BE RECOGNIZED THAT THREE ESSENTIALS IN CIVIC BUSINESS ADMINISTRATION ARE:

1. An adequate accounting system, covering and relating all branches of a city's business, and making for maximum efficiency and economy.
2. Effective application of such a system—dependent upon accuracy of facts, and upon their orderly arrangement as regards both principle and detail.
3. A periodical setting-forth in clear printed form of all such facts as are needed for guidance of civic administration and for information of the citizen body.

THE LEAGUE'S GENERAL RECOMMENDATIONS AS TO WINNIPEG'S CIVIC ACCOUNTING ARE:

1. (a) That an expert survey of financial administrative methods (including an outside audit covering the fiscal year ending April 30, 1916) should be ordered by the City Council and proceeded with promptly.
- (b) That, following upon such survey, effect should be given, under competent advice and direction, to any recommendations relative to the method of accounting and for the purpose of linking up all branches of the City's business.
2. (a) That there should be instituted an annual outside audit.
- (b) That this should be based upon a quarterly checking-up of

results of internal audit—the scope of this to be subject to the approval of the outside auditor.

3. (a) That presentation of frequent statements should be made to Council and to the public in a comparative form readily indicating current operations and financial position.
- (b) That the pamphlet publication of complete annual financial statements and reports should be in such form as to compare and connect the operations of the year closed with those of the preceding twelvemonth, and also with the estimates for the year under review and with those proposed for the ensuing year—tabular reports to be accompanied by explanations, comments, comparative showings on a per capita basis and by illustrative charts.

THE LEAGUE MEANTIME RECOMMENDS RECASTING THE FORM OF ANNUAL STATEMENTS

Pending an authoritative survey and any consequent revision of the accounting system, it is desirable that the main financial statements for the past fiscal year should be published by the City in a form which will as clearly as possible set forth essential information.

First—as to Financial Position at Beginning and End of Year.

Second—as to Financial Operations during the Year.

A move along right lines was made a year ago in giving through the press, in display form, some particulars as to the City's current finances; and the full page exhibit in the daily papers this year marked a decided further step toward making the City's business less of a mystery to the everyday citizen. It is to be hoped that the full annual financial report, when it later appears in book form, will show a similar advance in clearness of arrangement and presentation over the published statements of past years.

TABLE OF CONTENTS

Letter of Transmittal	PAGE 1
Diagrams:	
How Each \$100.00 is Spent	2
Yearly Cost to Average Family	19
Population, Assessment, Tax Rates	20
The Report:	
Introduction and General Recommendations	3
Time for "Taking Stock"	4
Suggested Classification of Accounts	5
Sources of Information and Counsel	5
Desirability of Independent Audit	5
Findings as to Winnipeg's Accounting	6
As to Present Form of Balance Sheet	6
As to Year's Capital Expenditure	6
Classification of Expenditures by Functions	6
The Main Functions and Present Committees	7
Unit Costs System	7
Cordial Attitude of Mayor and Board of Control	7
Note on Re-Cast Statements	7
Accompanying Statements:	
PART I.—POSITION AT BEGINNING AND END OF YEAR—	
Exhibit 1. Consolidated Balance Sheet	8
Exhibit 2. General Capital Account Balance Sheet	9
Exhibit 3. General Current Account Balance Sheet	10
Exhibit 4. Hydro-Electric System Balance Sheet	11
Exhibit 5. Water Works System Balance Sheet	11
Exhibit 6. School Board Balance Sheet	12
Exhibit 7. Sinking Fund Balance Sheet	12
Exhibit 8. Trust Fund Balance Sheet	12
PART II.—OPERATIONS DURING THE YEAR—	
Exhibit 9. General Capital Account—Capital Operations	13
Exhibit 10. General Current Account—Revenue and Expense	14
Exhibit 11. General Account—Receipts and Disbursements	15
Exhibit 12. Hydro-Electric System—Revenue and Expense	16
Exhibit 13. Water Works System—Revenue and Expense	16
Exhibit 14. School Board—Revenue and Expense	17
Exhibit 15. Sinking Fund—Revenue and Expense	17
Exhibit 16. Sinking Fund—Receipts and Disbursements	18
Exhibit 17. Trust and Special Funds—Receipts and Disbursements	18

THE PRESENT A TIME FOR "TAKING STOCK" MUNICIPALLY

The present is a time for "taking stock" municipally. System and methods can be more intelligently studied and improved in this period of "marking time" than would have been possible during the boom days behind us. Winnipeg should seize the opportunity of now strengthening its financial and administrative methods—for resumption of growth in days to come.

Roger Babson, the well-known American statistician and economist, in forecasting the progress of North American cities in the after-war period, considers Winnipeg to be the one Canadian centre (along with ten or so United States cities) which is assured of a large increase in population within the next decade or so. In anticipation of after-war readjustment and development, the present calls for an alert body of organized public opinion to co-operate with the City Hall. And this, in brief, is the aim of The Citizens' League of Winnipeg—the membership of which is open to anyone residing in the city or having business or property interests within its boundaries.

EXECUTIVE OF THE CITIZENS' LEAGUE OF WINNIPEG

HONORARY PRESIDENT: H. A. ROBSON, K.C.

PRESIDENT: W. J. CHRISTIE

VICE-PRESIDENT: A. K. GODFREY

HON. TREASURER: GEO. N. JACKSON

HON. SECRETARY: J. B. HUGG, 1005 McArthur Bldg.; Phone M. 130

H. ANNIS; W. J. BULMAN; F. W. S. CRISPO;

W. R. INGRAM; A. W. PUTTEE; S. R. TARR

CONSULTING ACCOUNTANTS

J. D. REID, C.A. (Manitoba); A. E. GIBSON, C.A. (Edinburgh)

Any citizen may become a Member of the League on payment of \$10.00 or upwards per year.

Any citizen, firm or corporation may become a Sustaining Member on subscribing \$100.00 per year (payable quarterly).

Many of Winnipeg's public-spirited citizens and progressive firms have already joined. Will you not show an active interest in the city's business by becoming a Member? Send application, with cheque, to Geo. N. Jackson, Hon. Treasurer, c-o. Walter Woods & Co., Winnipeg.

Some Such Reclassification and Recasting

Of the City's Main Financial Statements as here Outlined are Suggested by The Citizens' League
With a View to Setting Forth More Clearly the Facts of Civic Business from Year to Year

I. TO SHOW POSITION AT BEGINNING AND END OF YEAR:

1. **Consolidated Balance Sheet.** (The sole object of this recast statement is to give a bird's-eye view of the City's Assets, Liabilities and Reserves—how they are composed and how distributed over departments. Accounts arising from one section to another are not included, nor are the Assets and Liabilities in the Capital Sections so clearly separated from those in the Operating Sections as they are in the following detailed Balance Sheets).
2. **General Capital Account Balance Sheet.** (This additional statement has been prepared so as to present only the results of transactions relating to Debentures and Stock issued and Permanent Improvements and other Expenditure thereout. It does not include the School Board, Hydro-Electric or Water Works accounts).
3. **General Current Account Balance Sheet.** (This additional statement shows only the results of transactions affecting the annual Tax Levies and Sundry Incomes and the Incurring of Expenses of Operation and Maintenance).
4. **Hydro-Electric System Balance Sheet.**
5. **Water Works System Balance Sheet.**
6. **School Board Balance Sheet.** (While administration of School Board finances is independent of the City Hall, taxation and borrowings therefor are made through the City and it would seem desirable to include this separate balance sheet in annual financial report).
7. **Sinking Fund Balance Sheet.** (The form already adopted by the Sinking Fund Trustees is satisfactory in principle).
8. **Trust Fund Balance Sheet.** (This separate statement shows the Special and Trust Funds handled by the City at beginning and end of year).

II. TO SHOW OPERATIONS DURING THE YEAR:

9. **General Capital Account—Capital Operations.** (This Statement should show Capital Expenditure at beginning of, during, and at end of year, compared with Debt or Stock Appropriations. In the past there has not appeared to be any reference in the City's published statements between Debentures or Stock issued on the one hand, and Expenditures thereout on the other hand).
10. **General Current Account—Revenue and Expense.** (This Statement shows the Taxation and Sundry Income, and the Expenses thereout during the year, compared with those of the previous year, and the Estimates for the year).
11. **General Account—Receipts and Disbursements.**
12. **Hydro-Electric System—Revenue and Expense.**
13. **Water Works System—Revenue and Expense.**
14. **School Board—Revenue and Expense.** (This is a condensed statement included for general information of ratepayers).
15. **Sinking Fund—Revenue and Expense.** (This Statement shows the Interest and other Income applicable to the year, and the Expense and Interest requirements for the year. This is necessary to explain the increase or decrease in the Sinking Fund Surplus from year to year. It is gratifying to note that a statement of this sort has been included for the first time in the 1915-16 annual report of the Sinking Fund).
16. **Sinking Fund—Receipts and Disbursements.**
17. **Trust and Special Funds—Receipts and Disbursements.** (No such separate statement has been given in the past).

SOURCES OF INFORMATION AND COUNSEL

The foregoing recommendations were submitted for frank criticism and suggestion to the Council of the Institute of Chartered Accountants of Manitoba. They elicited from that body a letter signed by its president and stating that the Council "heartily endorsed the various improvements outlined by the Committee," subject to two suggestions as to changes of wording. The value of these being readily recognized they were promptly adopted, so that the recommendations above outlined have now the full endorsement of the body most competent to pass, professionally, upon their general soundness and their particular applicability to Winnipeg.

With the valued aid of its consulting accountants, J. D. Reid, C.A., and A. E. Gibson, C.A., (Edin.), the Committee on Civic Finance and Audit has not only made a study of Winnipeg's annual financial statements, but has compared them with those issued by various other cities in Canada and elsewhere. Correspondence has been entered into with such bodies as The Toronto Bureau of Municipal Research, The Colorado Taxpayers' Protective League and other organizations which have given special study to matters of civic finance. The conclusion arrived at is that Winnipeg is ahead of some leading Eastern cities in its manner of setting forth financial statements, while it is still behind some other Canadian and United States cities in this respect. However adequate eight years ago, the methods installed in Winnipeg at that time may be found, on close examination, not to have kept pace with the greatly increased scope of the City's business activities. Within the last few years changes almost revolutionary have been made in the application of accounting principles to municipal affairs.

DESIRABILITY OF INDEPENDENT CIVIC AUDIT

In the opinion of this League there is desirable in Winnipeg a thorough survey, by qualified experts, of the City's accounting and financial administrative methods. After such investigation (including an outside audit covering at least the fiscal year ending April 30, 1916) there should be instituted a regular external audit. Once the principle and details of the City's accounting system have been determined and put into operation, no very great outlay will be entailed by, say, a quarterly external audit to supplement a continuous inside audit at the City Hall. Two to three thousand dollars a year would cover the annual expense. Who can doubt the advantage of a city's having the "lessons of experience" clearly set forth four times a year, instead of once in several years?

The benefit of expert accounting advice from without has already been experienced by Winnipeg in certain important fields. It was largely as a result of the recommendations made in 1908 by specially engaged outside accountants that the City's Sinking Fund was put upon its present basis. And it is gratifying to note that the Sinking Fund report compiled by the City Treasurer this year, in his capacity as Secretary of the Board of Sinking Fund Trustees, bears the signature of a firm of chartered accountants as auditors. The Winnipeg School Board, it may be said in passing, has for twenty-five years had qualified outside auditors.

General Findings as to Winnipeg's Present Accounting

Abroad, Winnipeg's financial credit stands high, and deservedly so—thanks largely to a Sinking Fund, the published accounts of which are on the whole very clearly set forth, and (beginning with 1915-16 report) have now appended to them the signature of a firm of chartered accountants.

The system installed in 1908 by outside auditors for the City's general accounting was a marked improvement upon former methods—particularly in the matter of Sinking Fund.

The system more recently installed for the Winnipeg Hydro-Electric, at the instance of the Public Utilities Commission, is in line with approved modern practice; and similar methods are now prescribed for the Water Works System.

The extent to which the general civic accounting system installed in 1908 has been followed or modified in the past seven years, is not determinable except by more detailed examination than the Committee has had time to make.

THE PRESENT GENERAL BALANCE SHEET

seems less clear in form than that recommended by the auditors in 1908. It does not distinguish between Capital and Current items; nor is its summarizing of supporting accounts (such as those of the Hydro-Electric Plant, the Water Works System and the Sinking Fund) carried out in as uniform and readily understood a way as is desirable. Then there has been shown each year a Nominal Excess of Assets over Liabilities—an ambiguous item that a year ago had reached a figure of almost \$10,000,000.00. Just what constitutes a city's real surplus need not be discussed here. But it can scarcely have any real relation to a nominal Excess arising chiefly from including twice in the column of assets the same \$6,500,000.00 item. This feature of the Balance Sheet arises from Winnipeg's published statements with regard to Local Improvements. In 1914-15 they were included *in toto* at a valuation of over \$14,000,000.00 among the city's Fixed Properties. Then there was a duplication among Assets to the extent of nearly \$6,500,000.00 through entry of Deferred Assessments for Sinking Fund.

It has been argued that the City has two distinct assets in the case of Local Improvements such as sidewalks, etc.—one, the sidewalk itself, which is of the nature of a gift to the City by the particular ratepayers adjoining the sidewalk, and the other the deferred assessments from these special ratepayers. Some such argument as this is evidently implied by certain other cities, which still follow a similar practice to that in use here; but under no circumstances ought such doubly entered assets be made to appear as creating a surplus in the City's balance sheet.

It is difficult to see why the proportion of deferred assessments payable by specially benefited ratepayers should be any more included as an asset than the part payable by ratepayers generally, on what is considered as the City's share of local improvements. Further, if the principle be adopted for local improvements at all, would it not be logical to include also as a present asset all sinking fund assessments receivable in the future from taxpayers as a whole on account of parks, bridges, public baths and all such general improvements? Local improvements differ from general works in the circumstance that the bulk of the former's cost (though not all) is borne by those ratepayers particularly benefited. But, after all, local improvements in the aggregate are paid for by practically the whole body of taxpayers. And, as the total value of these improvements is now included among the City's Fixed Properties in its balance sheet, it certainly seems illogical to include as an additional asset any deferred assessments thereon. By the form of Balance Sheet suggested herewith for the 1915-16 accounts this double inclusion of Local Improvements is obviated—the amount of deferred assessments being indicated by way of foot note.

DETAILED INFORMATION REGARDING THE YEAR'S CAPITAL EXPENDITURE

is difficult to get from the City's annual financial statements hitherto published. This has had to be gleaned from an incomplete abstract of Cash Disbursements which does not include Expenditures incurred indirectly through Stores and so forth. Nor does there appear to be any reference between Debenture or Stock issues on the one hand and Expenditure thereout on the other. Very desirable is a statement of the year's Capital Expenditure containing in columnar form the expenditure by units: (1) during the preceding year, (2) total to the end of the preceding year; (3) during the year under report; (4) total at the end of such year; (5) amount of stock or debenture appropriations; (6) amount over-expended or under-expended. Up to the present time there has been nothing in the Comptroller's annual report to show that capital expenditures correspond to what was estimated or whether they exceed the estimates. Such information is all the more necessary in view of the fact that contracts are awarded to the engineering department in competition with private concerns, and it is only if the cost under this method does not exceed the estimated figure that such a policy is justified.

NEED FOR CLASSIFICATION OF EXPENDITURES BY FUNCTIONS

Upon the important matter of annual budget-making the Citizens' League hopes to present a special report at a future date. In this connection it may be pointed out in passing that a classification of expenses by functions and the installing of a unit costs system, as well as a clear setting forth of appropriations and corresponding funds, are coming more and more to be recognized as essential to scientific preparation and presentation of a City's budget—which, in its tentative stage, should be available for public examination and discussion before adoption by Council.

The classification of current expenses at present adopted by the City conforms rather to legal than to economic or functional requirements, the expenses being grouped under standing committees of the Council. While this classification is useful in placing responsibility for over-expenditures (i.e. expenditures over estimates) the following method, which is now being adopted in up-to-date civic accounting, is more scientific and calculated to provide more valuable information.

BRIEFLY, THE PROPOSED METHOD PROVIDES

that information will be shown, first where the money has gone and second how the money has been spent. In order to show where money has gone, the functions exercised by the City must be separated and classified. A natural separation of these Main Functions would be somewhat as follows:

General Government—including Legislative, Administrative, Legal, Accounting, Audit, Assessment, etc.

Public Safety—including Police, Fire, etc.

Public Service—including Street Cleaning, Street Lighting, Parks, Boulevards, Playgrounds, etc.

Public Welfare—including Health, Hospitals, Relief, Charity, etc.

Public Utilities and Schools do not appear in the above since they are kept absolutely distinct in the City's accounting.

Expenses According to Main Functions

Could be Linked Up with the Present Committees in Some Such Manner as the Following:

	General Govt	Public Safety	Public Service	Public Welfare	TOTAL
Board of Control (Finance)					
Works and Property					
Street Commissioner					
Etc., etc.					
TOTAL					

In order to show more explicitly into what this money has gone, an additional classification might be kept under these heads: Personal Services, Services other than Personal, Supplies, Equipment and Material (other than permanent), Debt Charges, Other Fixed Charges, etc. The following is given by way of suggestion as to this:

	Personal Services	Services other than Personal	Supplies	Equipt and Material (Other than perm't)	Debt Chgs.	Other Fixed Chgs.	TOTAL
General Government:							
Legislative							
Administrative							
Accounting							
Assessment							
Etc., etc.							
TOTAL							

It should be mentioned that a similar classification to that noted above might be made of the Capital Expenditure—substituting for Personal Services, Services other than Personal, Supplies, and the rest, such headings as Land, Buildings, Equipment, etc.

UNIT COSTS SYSTEM OF ACCOUNTING

A complete Unit Costs System of Accounting is desirable. It is not easy to reduce work in every instance to a unit basis, but it can be done in the majority of cases, and the benefits accruing from the standpoint of economy and efficiency have been found well worth the effort by large industrial concerns, and by such cities as have realized that in these matters public business should not lag behind private enterprise.

CORDIAL ATTITUDE OF MAYOR AND BOARD OF CONTROL

On invitation, the chairman of the League's Committee on Civic Finance and Audit recently attended a meeting of the Winnipeg Board of Control and went over the foregoing report in detail with the following civic representatives: His Worship Mayor Waugh, Controller Cockburn, Controller Wallace, Controller Astley, City Treasurer Thompson and City Comptroller Evanson.

The president of the League has since received through Secretary Peterson of the Board of Control a communication to the effect that:

"The members of the Board present at this meeting desire to express their appreciation of the opportunity afforded them to discuss the report in its preliminary state and, although there may be some differences of opinion on some of the questions referred to therein, they are greatly pleased to note that so much study has been given to matters of vital concern to good civic administration, and hope that the citizens generally will, in future, give closer attention to these problems. The Board of Control is pleased to consider any suggestions from time to time and adopt any changes that are for the benefit of the City."

NOTES UPON RECAST FORM OF FINANCIAL STATEMENTS SUBMITTED

In recasting the form of the main annual statements of the City of Winnipeg, the Committee on Civic Finance and Audit was fortunate in being able to secure advance figures for the fiscal year 1915-16, through the courtesy of the City Comptroller's department.

No audit has been made by the League's accountants and therefore no responsibility is assumed for the accuracy of reported facts. Indeed some apparent discrepancies exist in the statements as here presented, reasons for certain of which are set forth in appended foot notes. Nor is any claim made that the forms herewith suggested are the best that can be devised. Suggestions as to improvements will be welcomed. No attempt has been made to recast or include in this report the various supporting schedules of details that accompany main statements in the Comptroller's annual report. What has been done is to add to and to redraft all the City's main statements with a view to their setting forth to citizens, as clearly as may be, the financial operations and standing of the City in its different departments of activity.

It is important, indeed absolutely essential, to bear in mind that the City's activities from the economic viewpoint are divided into separate and more or less distinct departments, and that in order to understand the position of the City as a whole it is necessary also to study the financial standing of each department.

The financial statements here submitted are divided into two parts:

Part I. includes Exhibits 1 to 8, and displays the position of the City and its different departments both at the beginning and at the end of the fiscal year 1915-16. Part II. includes Exhibits 9 to 17, and shows the operations of the City during the year in its different departments, thus providing a connecting link and explaining the changes between the position at the beginning and that at the end of the year. Capital Assets and Liabilities (those arising from Stock and Debenture Funds) are shown in different statements from Current Assets and Liabilities (arising from Taxation Funds).

The figures relating to the beginning of the fiscal year, (viz., at 30th April, 1915) are placed on the left hand side and directly opposite to the corresponding figures at the end of the year (viz., at 30th April, 1916).

Exhibit 1

PART I.—POSITION AT BEGINNING AND END OF FISCAL YEAR

CONSOLIDATED BALANCE SHEET

The sole object of this statement is to give a bird's-eye view of the City's Assets and Liabilities. While administration of School Board finances is independent of the City, School Assets and Liabilities are included in first column hereunder so as to group under one general heading all items connected with civic activities for which taxes are levied—separate columns being given for Public Utilities. Accounts owing from one section to another are not included, nor are the Assets and Liabilities in the Capital sections so clearly separated from those in the Operating sections as they are in the Detailed Balance Sheets.

GRAND TOTAL 1915		GENERAL (Incl. Schools) 30th April, 1916	HYDRO ELECTRIC 30th April, 1916	WATER WORKS 31st March, 1916	GRAND TOTAL 1916
ASSETS					
47,700,211 65	FIXED: Land, Buildings, Equipment, Improvements, etc.	32,810,857 57	7,443,771 74	56,661,517 18	46,916,156 49
627,100 15	CURRENT: Cash (1916 Depreciation Funds only)		199,709 34		199,709 34
2,848,357 87	Receivables	3,210,430 91	140,192 91	60,863 89	3,411,487 71
333,017 38	Inventories	106,238 59	118,222 15	66,536 54	290,997 28
107,672 53	Sundry	50,722 21	17,755 28	19,321 73	87,799 20
3,916,147 93	TOTAL CURRENT ASSETS	3,367,391 71	475,879 66	146,722 16	3,989,993 53
5,858,069 02	RESERVES INVESTED	5,571,299 08	711,059 40	1,070,969 99	7,353,328 47
57,474,428 60	TOTAL ASSETS	41,749,558 36	8,630,710 80	7,879,209 33	58,259,478 49
LIABILITIES					
43,601,494 84	FUNDED DEBT: Debentures and Stock	29,434,642 67	7,402,000 00	56,990,768 54	43,827,311 21
3,315,934 29	CURRENT: Bank	3,302,564 11	117,547 12	80,867 90	3,500,979 13
196,732 11	Payables	62,079 78	45,578 62	24,642 28	132,300 68
148,627 14	Special and Trust	174,991 80			174,991 80
373,589 14	Accruals	226,123 79	113,560 43	83,802 34	425,486 56
1,034,882 68	TOTAL CURRENT LIABILITIES	3,767,759 48	276,686 17	189,312 50	4,233,758 15
6,226,292 21	RESERVES: For Sinking Fund and Depreciation	5,571,299 08	852,326 09	1,120,746 63	7,544,371 80
28,343 82	For Bad Debts		20,007 97		20,007 97
6,254,636 03	TOTAL RESERVES	5,571,299 08	872,334 06	1,120,746 63	7,564,379 77
53,891,013 55	TOTAL LIABILITIES	38,773,601 23	8,551,020 23	8,300,827 67	55,625,449 13
3,583,415 05	NOMINAL SURPLUS OF ALL ASSETS OVER LIABILITIES not including Surplus and Investment Reserve in Sinking Fund these totalling \$196,352 74 at 30th April, 1916)	(By reason of accounts from one section to another not being included in this statement, individual surpluses or deficits cannot be here entered)			2,634,029 36
57,474,428 60					58,259,478 49

NOTE: School Board's fiscal year ends 31st December. Taxes due at that date by City to the Board, but paid over before close of City's fiscal year, have been treated in above statement as so paid, corresponding amount being deducted from bank overdraft.

Exhibit 2

PART I.—POSITION AT BEGINNING AND END OF FISCAL YEAR

GENERAL CAPITAL ACCOUNT

(STOCK AND DEBENTURE FUNDS)

BALANCE SHEET

This statement presents only the result of transactions relating to Debentures and Stock Issued, and Permanent Improvements and other Expenditures thereout. It does not include the School Board, Hydro-Electric or Waterworks.

ASSETS		LIABILITIES	
30th April, 1915	30th April, 1916	30th April, 1915	30th April, 1916
Properties and Permanent Improvements— Land, Buildings, Equipment and other Permanent Improvements (not including Local Improvements, per schedule No. —)		\$27,657,556 30 Stock and Debentures Outstanding	\$27,734,037 67
\$13,114,262 48	\$11,816,646 89	3,500,000 00 Deduct propn. appl. to Winnipeg School Board	3,500,000 00
Local Improvements* (1)		Net Outstanding Debt on General and Local Improvements	\$24,234,037 67
General Ratepayers' Share		Less invested with Sinking Fund Trustees	5,114,282 15
Special Ratepayers' Share		\$19,757,733 69	\$19,119,755 52
15,016,009 42	15,125,694 76	Overdraft Bank of Montreal	297,574 72
\$28,130,271 90	\$26,942,341 65	Apparently Advanced from Current Assets for Capital Expenditures not yet provided for	352,333 07
4,399,822 61 Deduct Sinking Fund Reserves (nominal depreciation)	5,114,282 15	\$20,429,007 21	\$19,769,663 31
\$23,730,449 29	\$21,828,059 50	3,493,385 27	2,058,396 19
191,943 19 Cash in Bank		\$23,922,392 48	\$21,828,059 50
\$23,922,392 48	\$21,828,059 50		

* 1) Fire Service Waterworks Construction is included in Local Improvements. The allocation between Special and General Ratepayers of the Local Improvements is not ascertainable from the City's published accounts. Deferred Assessments on Local Improvements are not included in Balance Sheet see remarks relative thereto on page 6 of report. At 30th April, 1915, these amounted to \$6,405,103 22 on Special Ratepayers' Account, and at 30th April, 1916, to \$5,944,812 47.

* 2) Details of Surplus are not available, but it is presumed that it is composed of Assets fully paid for Debentures matured and paid and appreciation of real estate, etc. The chief cause of the shrinkage in Surplus at end of year against beginning of year ending 30th April, 1916, appears to be a revision of land values.

PART I. POSITION AT BEGINNING AND END OF FISCAL YEAR

GENERAL CURRENT ACCOUNT

(TAXATION FUNDS)

BALANCE SHEET

This statement shows only the results of transactions affecting Tax Levies and Sundry Income, and the incurring of Expenses of Operation and Maintenance.

30th April, 1915		30th April, 1916	30th April, 1915		30th April, 1916
ASSETS			LIABILITIES		
	Taxes outstanding and Sundry Debtors (See note below)		\$ 44,690 11	Sundry Creditors (See note below)	\$ 21,769 19
\$2,615,210 73	Advances for Local Improvements	\$3,169,373 76	3,233,812 36	Bank Overdraft	3,046,448 51
71,306 96	To be recovered by Special Taxes	42,159 68	3,278,502 47	Amount due to Trust and Special Funds	\$3,068,217 70
671,273 52	Advances to Capital Acct. For Capital Expenditures not provided for	352,333 07	148,627 14	Water Works Dept. (Percentages previously charged by City, now reversed and credited to Water Works)	174,991 80
99,724 45	Material and Supplies, etc. (Part of this really belongs to Capital Acct.)	102,880 20		Levies in advance for Sinking Fund and Interest	328,051 18
			134,252 07	Total Liabilities, General Current Account	145,453 42
			\$3,561,381 68	Deficit on General Current Account	\$3,716,714 10
			103,866 02	(See notes below)	49,967 39
			\$3,457,515 66		\$3,666,746 71
	Total Assets General Current Account	\$3,666,746 71			
\$3,457,515 66					

NOTES AND EXPLANATIONS:

On June 14, 1915, the Sinking Fund Trustees invested \$172,407 39 in City Tax Sale Certificates. Their year-end report states that by 30th April, 1916, "a reasonable proportion of the amount" had been redeemed, the balance being guaranteed by the City to the Sinking Fund.

The above statement is given by way of suggesting a form to be followed in future. As it stands, the figures are manifestly not altogether correct, since the Deficit does not agree with the balance shown in the Revenue and Expense Account (Exhibit 10). This discrepancy is due chiefly to lack of uniformity in City's allocation of Capital and Current items. For instance, Asphalt Plant operating charges are carried in Capital Account, though corresponding items for Quarries and Shops operating are carried in Current Account. In addition there appear to be items affecting former years. For example following representations from the Public Utilities Commission, it was ordered by the City Council on February 7th, 1916, that the City assume and the Water Works Department be credited with an item of \$328,051 18, arising from the interest and sinking fund on 6 per cent. collection charges added to Water Works Construction in error. This amount is therefore repayable in the future from City's General Revenue to Water Works Department. The effect of former error was that stocks and debentures of the Water Works System were over-issued to the extent of \$328,051 18, the amount being paid over to the City of Winnipeg and utilized, apparently, for ordinary revenue purposes.

Also, in considering the Balance Sheet given above, it is to be noted that there are several items of Revenue Expenditure, etc., included among Assets in City's books, provision for which is deferred, and which have therefore not been included in the above statement as Assets. These items include Advances on Operation of Plants, Premium and Discount Account, Expenditures and Losses to be met from future General Levies, and other Miscellaneous balances.

The item of Sundry Creditors does not seem to include the vouchers for Expenditures incurred, but not paid, in the month of April. The practice of treating Revenue Expenditures on a cash basis appears to have prevailed for a number of years past. It may be thought that, since twelve months' payments are actually charged to the Revenue Account no great harm results. But this practice not only makes impossible an exact Revenue Account statement for the City's fiscal year; it involves also the non-inclusion in the published Balance Sheet of the City certain Liabilities in respect of Expenditures incurred but not paid at the date of statement.

PART I.- POSITION AT BEGINNING AND END OF FISCAL YEAR

Exhibit 4

HYDRO-ELECTRIC SYSTEM

BALANCE SHEET

This Statement shows the position of the Hydro-Electric System both at beginning and at end of year 1915-16

30th April, 1915	CAPITAL ASSETS	30th April, 1916
\$7,327,306 10	Property and Plant Per Schedule	\$7,443,771 74
611,869 90	Deduct:	
\$6,715,436 20	Depreciation Reserve	908,906 95
		\$6,534,864 79
	Depreciation Fund	
	Invested with Sinking Fund Trustees	\$ 356,992 59
\$ 234,798 24	Additional Invested	354,066 81
305,854 98	Cash	199,709 34
71,216 68	Due by Current Acct.	
611,869 90		910,768 74
74,693 90	Capital Funds temporarily advanced to Current Account	
\$7,402,000 00	Total Capital Assets	\$7,445,633 53

CURRENT ASSETS

\$ 141,425 72	Accounts Receivable	\$ 140,192 91
28,343 82	Less Reserve for Uncollectible	20,007 97
\$ 113,081 90		\$120,184 94
145,622 17	Stores Material on Hand	118,222 15
36,365 57	Sundries Consumers, Wiring, etc.)	17,755 26
	Current Funds advanced to Capital Account	41,771 74
\$ 295,069 64	Total Current Assets	\$ 297,934 09
\$7,697,069 64	TOTAL ASSETS	\$7,743,567 62

CAPITAL LIABILITIES

	Funded Debt:	
\$6,912,000 00	City of Winnipeg Consolidated Stock	\$6,912,000 00
490,000 00	City of Wpg. Debentures	490,000 00
\$7,402,000 00		\$7,402,000 00
	Accounts Payable	\$ 1,861 79
	Current Funds advanced to Capital Account	41,771 74
\$7,402,000 00	Total Capital Liabilities	\$7,445,633 53

CURRENT LIABILITIES

\$ 94,265 60	Bank of Montreal	\$ 117,547 12
	Accts. Payable and Sundry	43,716 83
	Capital and Depreciation Funds temporarily advanced to Current Acct.	
145,910 58	Accrued Int., Funded Debt	56,979 57
57,618 63		
\$ 297,794 81	Total Current Liabilities	\$ 218,243 52
2,725 17	Revenue Deficit or Surplus	79,690 57
\$ 295,069 64		\$ 297,934 09
\$7,697,069 64	TOTAL LIABILITIES and surplus or less Deficit	\$7,743,567 62

Exhibit 5

WATER WORKS SYSTEM

BALANCE SHEET

This Statement shows the position of the Water Works System both at beginning and at end of year 1915-16

31st March, 1915	CAPITAL ASSETS	31st March, 1916
\$6,933,869 71	Property and Plant Per Schedule No. 1	\$6,661,517 18
	City of Winnipeg's Proportion of Debenture Debt	328,051 18
	See note under Exhibit 3	
\$6,933,869 71		\$6,989,568 36
880,024 48	Deduct:	
\$6,053,845 23	Sinking Fund Reserve	1,070,969 99
56,898 83		\$5,918,598 37
	Due by Current Account Capital monies temporarily used as Working Cap.)	1,200 74
\$6,110,744 06	Total Capital Assets	\$5,919,798 56
	CURRENT ASSETS	
\$ 8,401 72	Accounts Receivable	\$ 9,418 92
	Tax Collector	
45,844 99	City of Winnipeg	51,444 97
79,727 83	Stores— as per Inventory	66,536 54
	Sundry Assets	19,321 73
\$ 133,974 54	Total Current Assets	\$ 146,722 16
\$6,244,718 60	TOTAL ASSETS	\$6,066,520 71

CAPITAL LIABILITIES

	Funded Debt:	
\$5,086,678 20	City of Winnipeg Consolidated Stock	\$5,086,678 20
1,904,090 34	City of Wpg. Debentures	1,904,090 34
\$6,990,768 54		\$6,990,768 54
	Deduct:	
880,024 48	Invested with Sinking Fund Trustees	1,070,969 99
\$6,110,744 06	Total Capital Liabilities	\$5,919,798 55

CURRENT LIABILITIES

\$ 127,317 43	\$ 1,947 29	Accounts Payable	\$ 25,238 93
56,898 83	125,370 14	Bank Overdraft	80,867 90
			\$ 106,106 83
		Due to Capital Account Capital Monies temporarily used as Working Cap.)	1,200 18
90,618 42		Accrued Sinking Fund and Int. on Funded Debt	132,982 31
\$ 274,834 68		Total Current Liabilities	\$ 240,289 32
140,860 14		Revenue Deficit	93,567 16

This does not take into account the fact that \$23,291 00 has been paid into Sinking Fund yearly for past three years under Water Works Extension Bylaw No. 7490 from City's General Taxes

\$ 133,974 54	\$ 146,722 16
\$6,244,718 60	\$6,066,520 71

NOTE— It will be noticed that the Capital Assets and Liabilities for the Hydro-Electric and Water Works Systems are balanced separately from Current Assets and Liabilities. The only reason for departing from the form laid down by the Public Utilities Commissioner is to provide uniformity in the City's several Balance Sheets and to show clearly the amount of Capital monies being used as Working Capital, or Current funds advanced to Capital, in the Hydro-Electric and Water Works Systems.

PART I.—POSITION AT BEGINNING AND END OF FISCAL YEAR

Exhibit 6

WINNIPEG PUBLIC SCHOOL BOARD

BALANCE SHEET

It will be noted that School Board Fiscal Year corresponds to Calendar Year.

31st December, 1914	CAPITAL ASSETS	31st December, 1915
\$5,440,492 22	School Properties	\$5,531,492 62
343,423 69	Deduct Sink. Fund Reserve	467,016 93
\$5,097,068 53		\$5,074,475 69
196,322 90	Furniture, Equipment, etc.	337,033 30
129,301 96	Cash—On Deposit in Bank	31,135 85
\$5,422,693 41	Total Capital Assets	\$5,442,644 84
	CURRENT ASSETS	
\$1,043,601 53	City Tax Levy Net	\$1,069,601 53
37,474 71	Government Grant, unpaid	41,057 15
3,167 30	Fuel—Inventory	3,358 39
4,775 63	Insurance Prepaid	8,562 53
\$1,089,019 17		\$1,112,579 60
	Balance, Capital Account—	
	Capitalised Expenditures from Current Funds, etc.	699,156 77
714,947 10		
\$1,803,966 27	Total Current Assets	\$1,811,736 37
\$7,226,659 68	TOTAL ASSETS	\$7,254,381 21
	CAPITAL LIABILITIES	
\$5,061,170 00	Debentures Debt	\$5,200,505 00
343,423 69	Deduct Sinking Fund	467,016 93
\$4,707,746 31		\$4,743,488 07
714,947 10	Balances, Current Account	699,156 77
\$5,422,693 41	Total Capital Liabilities	\$5,442,644 84
	CURRENT LIABILITIES	
\$1,000,353 34	Bank Current Account	
	Overdraft	\$1,049,278 26
55,829 11	Payables—Accounts, Deposits, etc.	40,310 59
82,251 56	Debentures Int. Accrued	82,670 37
\$1,138,434 00	Total Current Liabilities	\$1,172,259 22
665,532 27	Surplus	639,477 15
\$1,803,966 27		\$1,811,736 37
\$7,226,659 68	TOTAL LIABILITIES and Surplus	\$7,254,381 21

Exhibit 8

TRUST AND SPECIAL FUNDS

BALANCE SHEET

This statement shows the Special and Trust Funds handled by the City at beginning and end of year

30th April, 1915	ASSETS	30th April, 1916
\$ 11,235 69	Cash in Bank and on Hand—Contractors' Deposits	\$ 13,977 94
148,627 14	Amount due by Current Acct. (Taxation Funds)	174,991 80
\$159,862 83		\$188,969 74
	LIABILITIES	
\$ 11,235 69	Contractors' Deposits	\$ 13,977 94
18,386 00	Unclaimed Wages	18,386 00
15,932 95	Land Tax Sales Fund	20,520 68
57,124 62	Local Improvement Taxes commuted	60,730 28
	Adjustment of Claims, McPhillips St. Subway	33,706 76
37,183 57	Reserve for Maintenance of Pavements	1,648 48
20,000 00	New Water System, C.P.R.	40,000 00
\$159,862 83		\$188,969 74

Exhibit 7

CITY OF WINNIPEG SINKING FUND

BALANCE SHEET

This statement shows the Assets being handled by the Sinking Fund Trustees at beginning and end of year 1915-16, and the Liabilities and Surplus, as well as the distribution of the Fund among the different civic Departments.

30th April, 1915	ASSETS	30th April, 1916
\$ 773,836 54	School District Debentures:	\$ 892,712 08
537,185 16	Manitoba	520,108 47
262,472 64	Saskatchewan	229,533 73
\$1,573,493 34	Alberta	\$1,842,354 26
	Rural Municip. Debentures:	
\$ 196,808 00	Manitoba	\$ 211,785 76
364,367 27	Saskatchewan	336,459 55
14,035 80	Alberta	13,528 16
\$ 575,211 07		\$ 561,773 47
1,882,691 95	City of Winnipeg Stock and Debentures	2,022,065 03
184,071 61	Debentures of West—n Cities and Towns	247,080 28
262,596 09	Debentures of Saskatchewan Rural Telephones	552,960 12
388,614 93	Miscellaneous Investments	1,020,889 79
90,831 58	Accrued Int. on Investm'ts.	129,476 78
\$4,957,510 57	Total Investments	\$6,176,569 73
814,820 38	Cash in Bank	779,334 15
\$5,772,330 95		\$6,955,903 88
	LIABILITIES	
	Amount required at date to take care of City Debentures and Stock—as follows:	
\$ 362,469 84	General Debentures	\$ 407,952 85
214,223 04	Local Improvements Debentures, City's Share	201,034 86
1,680,977 97	Ratepayers' Share	1,811,772 50
382,966 00	Water Works Debentures	428,164 27
8,321 39	Power Debentures	16,934 02
1,411,763 39	Stock Bylaw No. 5086	1,541,122 13
310,969 55		5509
216,432 31		5885
304,350 53		6412
237,451 07		6969
431,542 50		7525
79,160 85		8288
\$5,640,628 44		\$6,759,551 14
131,702 51	Investment Reserve	150,000 00
\$5,772,330 95	Surplus—Assets in excess of Liabilities Held as Reserve against depreciation of Assets	46,352 74
		\$6,955,903 88
	DISTRIBUTION OF LIABILITIES:	
\$ 935,951 35	General	\$1,140,142 79
358,346 73	Local Improvements:	367,946 03
2,943,034 94	City's Share	3,413,854 48
	Ratepayers' Share	
162,489 59	Fire Service Water Wks.	192,338 85
123,189 46	Sp. Assessment	176,869 73
88,818 13	Public School Board	1,111,406 67
234,798 24	Water Works	356,992 59
	Hydro-Electric System	150,000 00
131,702 51	Investment Reserve	
\$5,772,330 95	Surplus Assets in excess of Liabilities	46,352 74
		\$6,955,903 88

NOTE: Except for a slight difference in the order of the items, this is the form already followed by the Sinking Fund Trustees.

Exhibit 5

PART II.—OPERATIONS DURING FISCAL YEAR

GENERAL CAPITAL ACCOUNT

(STOCK and DEBENTURE FUNDS)

CAPITAL OPERATIONS

This statement should show Capital Expenditure at beginning of, during, and at end of year closing 30th April, 1916, compared with Debenture or Stock appropriations. In the event of any Expenditures being undertaken without allocation of covering Stock or Debenture funds, such should be clearly shown.

Nature of Works and Relative Bylaws	(1) Expenditure During 1914-15	(2) Total Expended up to 30th April, 1915	(3) Expended during 1915-16	(4) Total Expended up to 30th April, 1916	(5) Relative Debenture or Stock Appropriations	(6) Balance Unexpended Balance Over- expended
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The information necessary to this Exhibit is not available. There does not appear to be in the City's published statements any linking up of Debenture or Stock issues on the one hand and Expenditures thereout on the other hand.

PART II.—OPERATIONS DURING FISCAL YEAR

GENERAL CURRENT ACCOUNT

(TAXATION FUNDS)

REVENUE AND EXPENSE

This Statement shows the General Taxation and Sundry Income and Expenses thereof during the year compared with those of the previous year and the Estimates for the year. It also shows the Estimated Expenditure for the incoming year 1916-17 together with Increases or Decreases over 1915-16 Expenditure. The School Tax and Local Improvement Taxes are not included, except in so far as the latter relate to the City's share of Local Improvements.

Year 1914-15 Ending 30th April, 1915		Year 1915-16 Ending 30th April, 1916	Surplus and Deficit for Year 1915-16	Estimates for year 1916-17, End- ing 30th April 1917	+ Increase or — Decrease 1916-17 Esti- mates over 1915-16 Actual
Actual Expenditure		Estimated Expenditure	Actual Expenditure		
\$1,308,263 26	Board of Control Finance *	\$1,377,199 91	\$1,421,610 61	\$44,310 70	\$1,866,827 06
100,718 30	Works and Property	92,166 50	78,477 52	13,688 98	92,122 00
364,463 86	Street Commissioner's Department	269,430 00	277,123 63	7,693 53	231,390 00
51,579 24	Fire Service Water Works Operating	39,620 00	46,092 32	6,472 32	44,311 15
678,263 37	Fire, Water, Light and Power	618,385 85	581,247 20	37,138 65	603,357 03
261,499 50	Health	209,137 50	178,571 30	30,566 20	179,181 50
105,402 56	Market, License and Relief	111,285 00	137,031 24	25,746 24	106,958 50
66,407 67	Library and Public Baths	85,280 50	91,841 45	6,551 95	97,387 35
165,818 49	Public Parks Board	155,930 02	163,923 95	2,006 07	156,518 18
421,167 28	Board of Police Commissioners	421,992 75	391,678 62	33,414 23	399,991 80
134,000 21	Municipal Hospitals	153,300 00	147,136 32	6,203 68	159,370 00
290,890 86	Miscellaneous Appropriations	244,965 89	200,504 69	44,461 20	192,992 45
\$3,948,474 62	Totals for Year's Expenditure	\$3,781,742 92	\$3,705,038 65	\$76,704 27	\$4,130,707 02
129,955 70	Balances from Previous year	10,959 84	10,959 84		74,109 62
\$4,078,430 32	Total Appropriations and Total Expended thereout	\$3,792,702 76	\$3,715,998 49		\$4,056,597 40
588,996 25	DEDUCT Miscellaneous Income, other than from Taxation	502,384 00	499,739 35	2,594 65	496,665 00
	Balance amount raised by Taxation, i.e., Business Tax and General	\$3,290,318 76	\$3,216,209 14	\$74,109 62	\$3,589,932 40
\$3,478,475 23	Rate see Schedule No.	\$3,216,209 14			
3,489,435 07	Actually Expended thereout				
\$ 10,959 84	Deficit	Surplus \$ 74,109 62			
	Included in the Estimates for the next following year				

NOTES AND EXPLANATIONS:

In the 1916-17 estimates as passed by the City Council, departmental Debt Charges amounting to over \$130,000 00 were allocated to the relative civic departments. In the above statement, however, these charges have been included with the other Debt Charges under Board of Control, in order to make comparisons possible with preceding years. As indicated by diagrams on cover pages, Patriotic Expenditures are included in 1916-17 Board of Control estimates.

A suggested Classification of Expense by Functions is dealt with in the Introductory Report accompanying these Exhibits. Such a detailed classification should accompany the summary Revenue and Expense account shown above.

The City's Total Tax Roll and Miscellaneous Income for the fiscal year 1915-16 (apart altogether from Public Utilities) amounted to \$6,353,463, made up as follows: General Tax exclusive of School Tax \$2,909,318; Business Tax \$381,000; Miscellaneous Income \$499,790; Special Levies for Local Improvements, etc., \$1,434,355; School Tax \$1,129,000.

As pointed out in note under Exhibit 3, the City's practice of treating Revenue Expenditure on a cash basis makes impossible an exact Revenue Account statement for the fiscal year, and means also the non-inclusion in the published Balance Sheet of certain liabilities in respect of Expenditures incurred but not paid at the date of Statement.

PART II. OPERATIONS DURING FISCAL YEAR

GENERAL ACCOUNT

RECEIPTS AND DISBURSEMENTS

This statement shows only summary of Monies actually Received and Disbursed on City's Account; Public Utilities are not included. Being simply a Cash Statement it does not reflect the Year's Operations. No account is taken of Expenditures arising from transfer of Stores and Material, nor does it include Revenue Due but not received and Expenditures incurred but not paid.

[illegible]

Above summarized items do not give as full details as appear in Cash Statement included in City's financial reports of past years. Such details, however, are here left for supporting schedules.

PART II. OPERATIONS DURING FISCAL YEAR

Exhibit 12

HYDRO-ELECTRIC SYSTEM REVENUE AND EXPENSE ACCOUNT

Year ending 30th April, 1915	OPERATING REVENUE	Year ending 30th April, 1916
\$237,146 11 333,967 72 12,495 66 77,828 51	LIGHTING Commercial Domestic City Buildings City Streets Municipal Outside Winnipeg	\$231,351 45 351,529 15 13,398 78 75,604 49 10,684 63 \$482,568 48
\$670,894 81	POWER Commercial City Buildings City Waterworks Municipal Outside Winnipeg	\$236,536 24 22,198 59 45,850 21 2,770 71 307,355 75 1,360 76
298,566 82 2,278 16	TRAMWAY	
\$971,839.79	Total Operating Revenue	\$981,284 99
	OPERATING EXPENSES	
\$ 30,614 14 45,875 99 45,339 43 8,671 80 72,796 48 22,874 92 33,795 34 42,830 55	Power Transmission and Transformation Distribution Consumption Commercial General Tramway Undistributed	\$ 34,802 92 54,181 36 33,988 32 6,876 94 102,147 67 26,153 01 29,361 58 15,178 53
\$305,798 65 264,254 52 4,007 05 18,076 45	Depreciation* Taxes Contingencies Extraordinary	\$302,790 31 291,200 86 4,136 50 4,136 13
592,136 6*	Total Operating Expense	602,263 80
\$379,703 12 4,507 71	Operating Revenues Net Non-Operating Revenues	\$389,021 19 4,226 38 \$393,247 57
\$384,210 83	Interest Charges	\$310,130 00
305,526 11	Funded Debt Floating Debt	3,387 90 313,517 90
78,684 72	Surplus for Year	\$ 79,729 67
\$ 81,917 09 81,409 89	Deficit: at beginning of Year Adjustments during Year	\$ 2,725 17 2,686 07 39 10
\$ 2,725 17	Deficit or Surplus per Balance Sheet	\$ 79,690 57

* This is Depreciation Allowance fixed by Public Utilities Commission. This item includes Sinking Fund Requirements which for year ending 30th April, 1916, amounted to \$112,964 28.

Exhibit 13

WATERWORKS SYSTEM REVENUE AND EXPENSE ACCOUNT

Year ending 31st March, 1915	OPERATING REVENUE	Year ending 31st March, 1916
	Water Rates Mains, Frontage Taxes Hydrants, Rentals Municipal Sales, Municipal Depts. Sales, Street Sprinkling	\$485,704 93 73,730 16 69,080 00 22,766 53 2,228 04 \$654,489 66 948 60
	Miscellaneous	
	Total Operating Revenue	\$655,468 26
	OPERATING EXPENSES	
	Pumping Distributing Commercial General Undistributed	\$100,045 08 80,461 51 26,870 58 17,355 05 9,599 93
	Allowance for Depreciation*	\$234,322 57 102,097 00
	Sinking Fund Contribution	1,116 43
	Taxes	
	Total Operating Expenses	\$337,536 00
	Operating Revenue Net Non-Operating Revenue	\$317,922 26 3,237 30 \$321,159 56
	Interest Charges - Funded Debt Floating Debt	\$268,841 13 5,024 45 \$273,865 58
	Surplus for Year*	\$ 47,293 98
	Deficit at beginning of Year	140,861 14
	Deficit per Balance Sheet*	\$ 93,567 16

*The Depreciation Allowance fixed by order of the Public Utilities Commission is \$170,912 42. This is not fully covered by the \$102,097 00 contributed to the Sinking Fund from Water Works earnings, but there is an additional amount of \$83,291 00 not shown in past years' published statements of Water Works System: paid from General Tax Revenue of City into Sinking Fund on account of Water Works Debt under Water Works Extension Bylaw No. 7490. The year's Water Works "Surplus" and the year-end "Deficit" as set forth above, are to be considered in the light of the foregoing fact.

By reason of clerical action for year 1914-15 differing from that of 1915-16, comparative figures cannot well be given

PART II. OPERATIONS DURING FISCAL YEAR

Exhibit 14

WINNIPEG PUBLIC SCHOOL BOARD

REVENUE AND EXPENSE ACCOUNT

It will be noted that the School Board Fiscal year corresponds to the Calendar Year

Year ending 31st December, 1914	REVENUE	Year ending 31st December, 1915	
\$1,115,500 00	City Tax Levy	\$1,129,000 00	
94,717 68	Government Grants	92,738 34	
5,822 00	Fees—Evening and Non-Resident	5,513 50	
7,992 76	Sundry Receipts	6,118 70	
<u>\$1,224,032 44</u>		<u>\$1,233,370 54</u>	
EXPENSE			
\$ 587,19 61	School Instruction Salaries	\$ 632,522 95	
43,219 72	School Instruction Material and Supplies	32,142 92	
65,936 67	School Plant Maintenance	47,596 22	
138,585 45	School Plant Operation	132,495 78	
28,870 05	Administration Salaries	28,481 70	
36,481 17	General	26,917 66	
23,223 74	Depreciation Furn. Appar., etc.	25,882 20	
232,597 15	Debt. Interest	251,792 77	
\$1,155,105 56		\$1,177,832 19	
71,898 17	Debt. Sink. Fund	69,398 47	\$1,247,230 66
\$ 2,971 59	Deficit for Year	\$ 13,860 12	
712,674 42	Surplus at beginning of Year	\$ 665,532 27	
668,503 86	Less Discount on Sale of Debentures	12,195 00	653,337 27
<u>\$ 665,532 27</u>	Surplus per Balance Sheet	<u>\$ 639,477 15</u>	

Exhibit 15

CITY OF WINNIPEG SINKING FUND

REVENUE AND EXPENSE ACCOUNT

This statement shows the interest and other income applicable to the year and the expenses and interest requirements for the year

Year ending 30th April, 1915	REVENUE	Year ending 30th April, 1916
	Interest earned during Year	\$335,923 95
	Profit on sale of Securities during year	7,892 60
		<u>\$343,816 55</u>
	EXPENSE	
	Sundry Expenses	\$ 6,023 63
	Exchange	535 30
	Law Costs	141 54
	Premiums on Investments acquired during Fiscal period—Written off	9,261 03
	Interest requiring to be earned during year in terms of Bylaws governing issues of Stock and Debentures	230,106 83
	Surplus for Year carried down	97,748 22
		<u>\$343,816 55</u>
	Surplus for Year brought down	\$ 97,748 22
	Surplus as at 30th April, 1915	\$131,702 51
	Less Premiums on Investments acquired prior to 30th April, 1915	33,097 99
		<u>\$196,352 74</u>
	Deduct amount transferred to Investment Reserve	150,000 00
	Surplus per Bal. Sheet	<u>\$ 46,352 74</u>

Figures for year 1914-15 are not readily available for comparison, as a statement in this form was included for the first time in the 1915-16 Report of the Sinking Fund Trustees

PART II.—OPERATIONS DURING FISCAL YEAR

Exhibit 16

CITY OF WINNIPEG SINKING FUND

RECEIPTS AND DISBURSEMENTS

Year ending 30th April, 1915	CASH RECEIPTS	Year ending 30th April, 1916	
\$ 70,704 78	Cash in Bank	\$ 814,820 38	
	Amortization Instalments, City of Winnipeg	\$1,337,288 11	
\$1,118,371 32	Interest on Investment	313,948 99	
253,597 58	On account of Principal, Sale of Securities	787,869 81	
658,949 37	Return of Call Loan, City of Winnipeg	1,745,000 00	4,184,106 91
3,555,918 27			<u>\$4,998,927 29</u>
<u>\$3,626,623 05</u>			
	CASH DISBURSEMENTS		
\$ 207,375 26	Debentures Redeemed	\$ 448,477 45	
2,883 83	Expense	6,023 63	
448 97	Exchange	535 30	
284 81	Law Costs	141 54	
1,760,893 32	Investments	2,002,747 19	
	Accrued Interest on Invest- ments	16,668 03	
14,916 48	Call Loans—City of Win- nipeg	1,745,000 00	\$4,219,593 14
825,000 00			779,334 15
\$2,811,802 67	Balance—Cash in Bank		<u>\$4,998,927 29</u>
814,820 38			
<u>\$3,626,623 05</u>			

Exhibit 17

TRUST AND SPECIAL FUNDS

RECEIPTS AND DISBURSEMENTS

Year ending 30th April, 1915	CASH RECEIPTS	Year ending 30th April, 1916	
\$210,666 08	Contractors' Deposits	\$ 86,860 17	
10,194 08	Land Tax Sales Surplus	24,281 81	
	Local Improvement Taxes Com- muted*	10,788 85	
7,464 08	Land Tax Sale Redemptions	56,853 40	
26,221 23	Re Claims McPhillips St. Subway	36,663 06	
20,000 00	New Water Works System, C.P.R.	20,000 00	
<u>\$274,545 47</u>		<u>\$235,447 29</u>	
	CASH DISBURSEMENTS		
\$249,148 45	Contractors' Deposits	\$ 84,117 92	
3,130 46	Land Tax Sales Surplus	21,386 98	
	Local Improvement Taxes Com- muted	55,061 76	
26,983 49	Land Tax Sale Redemptions		
	Re Claims McPhillips St. Subway		
	New Water Works System, C.P.R.		
<u>\$279,262 40</u>	Total Disbursements	\$160,566 66	
	Balance, Excess of Receipts over Dis- bursements or Excess of Disburse- ments over Receipts, incorporated in City's General Account	74,880 63	<u>\$235,447 29</u>
4,716 03			
<u>\$274,545 47</u>			

*The outgo on this account would be given effect to in the books by means of a journal voucher.

NO AUDIT HAS BEEN MADE

by the consulting accountants of the Citizens' League, J. D. Reid, C.A. (Manitoba) and A. E. Gibson, C.A. (Edinburgh). Therefore no responsibility is assumed for the accuracy of reported facts. All the foregoing statements are given chiefly by way of indicating forms to be followed in future, and suggestions for their improvement will be welcomed. Some apparent discrepancies exist in statements as here presented, reasons for certain of which are set forth in appended foot notes.

It will be noted that no detailed statements are included of operation of the Hospital Commission or of the Parks Board. It would seem desirable that such statements should be included as already recommended re School Board by this report in City's annual financial report. Also, in the case of various plants, such as the Asphalt Plant, Quarries and Gravel Pit, it would be well to have their operations shown in some detail.

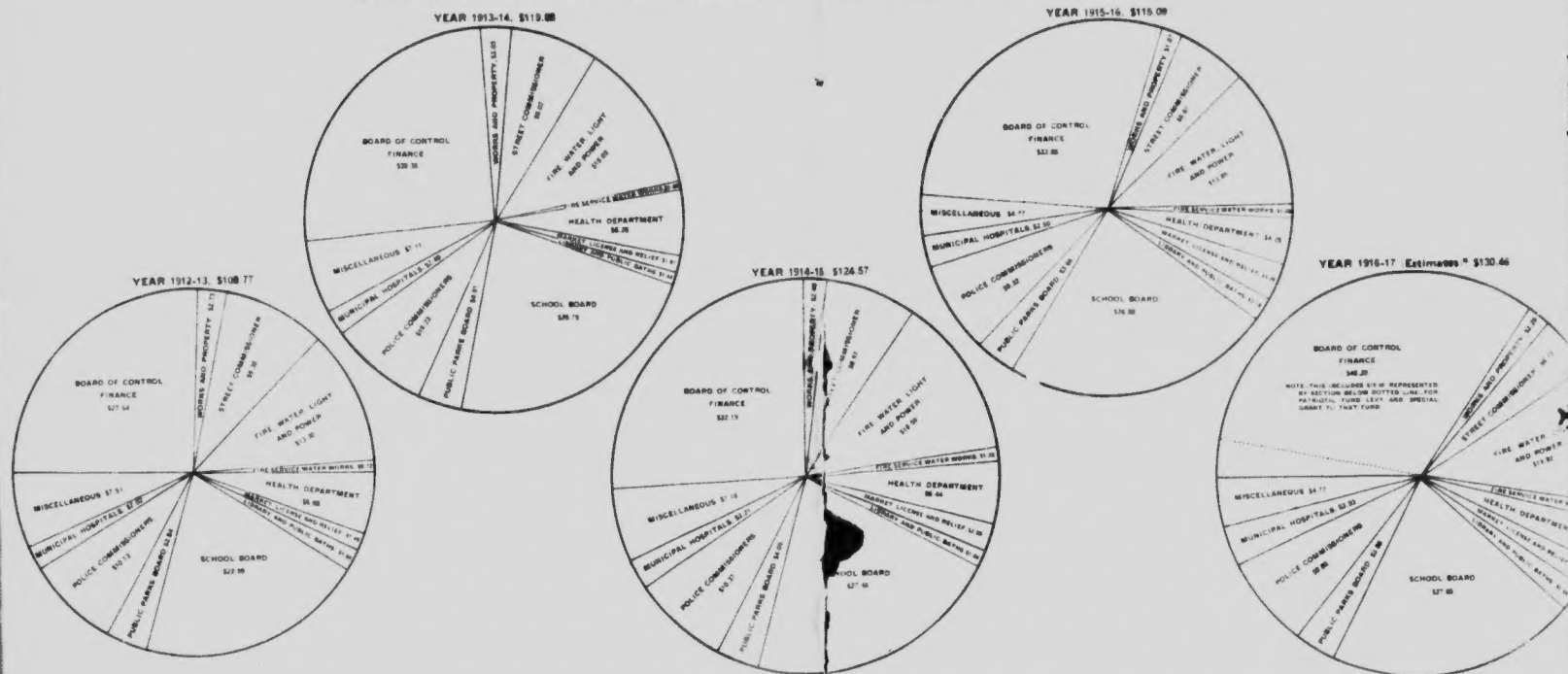
THE CITIZENS' LEAGUE OF WINNIPEG

W. J. CHRISTIE,
PRESIDENT

S. R. TARR,
CHAIRMAN, Committee on Civic Finance
and Audit

WHAT THE CITY'S OUTGO COSTS A WINNIPEG FAMILY CIRCLE

ASSUMING FIVE PERSONS TO THE AVERAGE FAMILY. THESE CHARTS
GIVE A FIVE-YEAR COMPARISON THAT DESERVES CAREFUL STUDY



SHADED PORTIONS OF CALENDAR SHEETS SHOW WHAT THE CITY'S OUTGO IS COSTING
A FAMILY OF FIVE PERSONS YEARLY, ASSUMING \$5.00 TO BE ONE DAY'S PAY

21½ DAYS

1912 ONE MONTH 1913

Sun.	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.
					1	
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

23½ DAYS

1913 ONE MONTH 1914

Sun.	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

25 DAYS

1914 ONE MONTH 1915

Sun.	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

23 DAYS

1915 ONE MONTH 1916

Sun.	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

26 DAYS

1916 ONE MONTH 1917

Sun.	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

* SEE NOTE ON PAGE TWO RE 1916-17 FINANCE ESTIMATES

WINNIPEG'S AFFAIRS ARE YOUR AFFAIR

YEAR	POPULATION (ASSESSMENT RECORDS)	RATEABLE ASSESSMENT	GENERAL TAX RATE
1912	190,899	\$214,360,440	12 Mills
1913	194,730	\$259,419,520	13 Mills
1914	208,268	\$280,791,340	14.8 Mills
1915	212,960	\$288,451,340	14 Mills
1916	229,391	\$278,732,370	15.7 Mills

REPORT No. 1

OF

THE CITIZENS' LEAGUE OF WINNIPEG
FOR MUNICIPAL BETTERMENT